

PROJECT OVERSIGHT REPORT

Merchandising Business System (MBS)
Washington State Liquor Control Board (WSLCB)

Report as of Date:
May 2002

Project Director: Linda Bremer
MOSTD Staff: Andy Marcelia

Executive Sponsor: Pat Kohler

Description: The 2001 Legislature authorized the Washington State Liquor Control Board (WSLCB) to replace their Point of Sale (POS) software with a commercially available product capable of managing and supporting the agency's retail business. These business activities include procurement (timely sales and marketing data), distribution (electronic tracking of shipping and handling), wholesale and special orders, and POS in the 157 state liquor stores. The project also includes implementation of data mart software to access Merchandising Business System (MBS) information. The project has two primary phases, "Requirements Definition Study" and "Solution Implementation".

The WSLCB plans to select the implementation vendor through a Request for Proposal (RFP) process. They will seek a package with a strong match to their requirements and adapt their business practices to avoid modification to maintain a "vanilla" system. The implementation vendor will provide project management support for the project. The WSLCB staff will work closely with the vendor to ensure knowledge transfer occurs during the project.

Technology: The proposal from the apparently successful vendor will determine the technology. The RFP will include replacement of the POS industry standard equipment in the state operated liquor stores.

Life Cycle Stage: The LCB is evaluating vendor proposals and will name the apparently successful vendor in May 2002.

Budget: The budget for this project is \$4,802,720. The contract with the consultant, Jefferson Wells International to develop the requirements is the only financial commitment to date for \$360,000.

Schedule: The project is evaluating vendor proposals:

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| Evaluation Period: | |
| Vendor Orals and Demonstrations | 5/6 – 5/23/02 |
| Announce Apparent Successful Vendor | 5/24/02 |
| Hold Debriefing Conferences (if requested) | 5/28 – 6/3/02 |
| Lab Testing | 5/28 - 6/15/02 |
| Negotiation Phase | 6/17 - 6/21/02 |
| Award Contract | 6/24/02 |
| Contract Work Commences | 6/25/02 |

Status: The Liquor Control Board (LCB) received six responses to their Request for Proposal for their Merchandising Business System. Three were disqualified for being non-responsive or not meeting mandatory requirements. Three were evaluated and two were invited for oral reviews and presentations. Those reviews are in process. The LCB expects to have the apparently successful vendor (ASV) identified by May 24, 2002. Contract negotiations will begin in June.

This procurement has been managed by the Department of General Administration, Office of State Procurement, on behalf of the LCB. Sterling Associates is providing external quality assurance.

Recommendation: DIS has recommended that the LCB retain external legal assistance for contract negotiations. DIS also recommends the development of a project communications plan and spending plan with progress reports to the plan.